

Insurance Corporation that the accounts of the association will be insured by the Federal Deposit Insurance Corporation;

(ii) The sale of a minimum amount of fully-paid capital stock of the association prior to commencing business;

(iii) The submission of a statement that:

(A) The applicants have incurred no expense in organization which is chargeable to the association, and that no such expense will be incurred, and

(B) No funds will be accepted for deposit by the association until organization has been completed;

(iv) Compliance with all applicable laws, rules, and regulations; and

(v) The satisfaction of any other requirement or condition the Director or his or her designee may impose.

(c) *Issuance of charter.* Upon approval of an application, the Office shall issue to the association a charter for a Federal stock savings association or for a Federal stock savings bank, as requested by the applicants, which shall be in the form provided in this part. Issuance of the charter shall be subject to the condition subsequent that the organization of the association is completed pursuant to this section.

(d) *Interim board of directors and officers.* Upon approval of the application and the issuance of the charter, the applicants shall constitute the interim board of directors of the association until the board of directors of the association are elected by its stockholders at the organizational meeting required by paragraph (g) of this section, and the interim officers of the association shall be those persons set forth in the application for permission to organize.

(e) *Sale of capital stock.* Upon the issuance of the charter, the association shall proceed to offer and sell its capital stock pursuant to the requirements of part 563g of this chapter.

(f) *Bank membership and insurance of accounts.* Promptly upon the issuance of the charter, a Federal stock association must qualify as a member of the appropriate Federal Home Loan Bank and meet all requirements necessary to obtain insurance of accounts by the Federal Deposit Insurance Corporation.

(g) *Organizational meeting.* Promptly upon the completion of the sale of its

capital stock, the association shall provide notice, pursuant to § 552.6(b), of a meeting of its stockholders to elect a board of directors. Immediately following such election, the directors shall meet to elect the officers of the association and to undertake any other action necessary under the charter or bylaws to complete corporate organization.

(h) *Completion of organization.* Organization of a Federal stock association shall be deemed complete for the purposes of this part when:

(1) The association has obtained Federal Home Loan Bank membership and insurance of its accounts from the Federal Deposit Insurance Corporation;

(2) It has completed the sale of and received full payment for its capital stock;

(3) It has complied with all requirements of part 563g of this chapter;

(4) It has held its organizational meeting for the election of directors and all directors have been elected;

(5) Its officers have been elected and bonded; and

(6) It has met the requirements and conditions imposed by the Office in connection with approval of the application.

(i) *Failure of completion.* If organization of a Federal stock association is not completed within six months after the OTS approves the application, or within such additional period as the OTS for good cause may grant, the charter shall become null and void and all subscriptions to capital stock shall be returned.

[54 FR 49523, Nov. 30, 1989, as amended at 57 FR 14342, Apr. 20, 1992; 62 FR 27181, May 19, 1997; 62 FR 64146, Dec. 4, 1997]

§ 552.2-2 Procedures for organization of interim Federal stock association.

(a) Applications for permission to organize an interim Federal savings association are not subject to subparts B, C and D of part 516 of this chapter or § 552.2-1(b)(3) of this part.

(b) Approval of an application for permission to organize an interim Federal stock association shall be conditioned upon approval by the Office of an application to merge the interim

Federal stock association, or upon approval by the Office of other transaction which the interim was chartered to facilitate. Applications for permission to organize an interim Federal stock association shall be submitted in the same manner as the related filing(s). In evaluating the application, the Office will consider the purpose for which the association will be organized, the form of any proposed transactions involving the association, the effect of the transactions on existing associations involved in the transactions, and the factors specified in § 552.1(b)(1) to the extent relevant.

(c) If a merger or other transaction facilitated by the existence of the interim Federal stock association has not been approved within six months of the approval of the application for permission to organize, unless extended by OTS for good cause shown, the charter shall be void and all subscriptions for capital stock shall be returned.

[54 FR 49523, Nov. 30, 1989, as amended at 55 FR 13513, Apr. 11, 1990; 57 FR 14342, Apr. 20, 1992; 62 FR 64146, Dec. 4, 1997]

§ 552.2-3 Federal stock association created in connection with an association in default or in danger of default.

Sections 552.2-1 and 552.2-2 of this part do not apply to a Federal stock association which is proposed by the Federal Deposit Insurance Corporation, or the Resolution Trust Corporation under section 5(p) of the Home Owner's Loan Act of 1933, section 11(c) of the Federal Deposit Insurance Act, or section 21A of the Federal Home Loan Bank Act, or is otherwise chartered by the Office in connection with an association in default or in danger of default. Incorporation and organization of such associations are complete when and under such conditions as the Director or his or her designee so determines.

§ 552.2-6 Conversion from stock form depository institution to Federal stock association.

(a) With the approval of the Office, any stock depository institution that is, or is eligible to become, a member of a Federal Home Loan Bank, may convert to a Federal stock association,

provided that the depository institution, at the time of the conversion, has deposits insured by the Federal Deposit Insurance Corporation, and provided further, that the depository institution, in accomplishing the conversion, complies with all applicable statutes and regulations, including, without limitation, section 5(d) of the Federal Deposit Insurance Act. The resulting Federal stock association must conform within the time prescribed by the OTS to the requirements of section 5(c) of the Home Owners' Loan Act. For purposes of this section, the term "depository institution" shall have the meaning set forth at 12 CFR 552.13(b). An application for conversion filed under this section is subject to the procedures for organization of a federal stock organization at § 552.2-1.

(b) Any and all of the assets and other property (whether real, personal, mixed, tangible or intangible, including choses in action, rights, and credits) of the former stock form depository institution become assets and property of the Federal stock association when the conversion occurs. Similarly, any and all of the obligations and debts of or claims against the former stock form depository institution become obligations and debts of and claims against the Federal stock association when the conversion occurs. In effect, the Federal stock association is the same as the former stock form depository institution with respect to any and all assets, property, claims and debts of or claims against the former stock form depository institution.

[59 FR 44623, Aug. 30, 1994, as amended at 66 FR 13006, Mar. 2, 2001; 66 FR 23154, May 8, 2001]

§ 552.2-7 Conversion to National banking association or State bank.

A Federal stock association may convert to a National banking association or a State bank after filing a notification or application, as appropriate, with the Office in accordance with the applicable provisions of § 563.22(b) of this chapter.

[59 FR 44623, Aug. 30, 1994]